

unions to serve a narrow purpose, not to give a distinct market advantage over their competition with the small bank down the street.

Now, it must be said that many credit unions such as the U.S. Senate Federal Credit Union, right here on Capitol Hill, have used this advantage judiciously in serving their clearly defined customer base.

The employees of the Senate are their customer base. They won't lose their membership. Nobody is about to lose their membership. That is all hogwash. Unfortunately, too many other large credit unions have expanded the reach of their tax-exempt status far beyond the original congressional intent—extending their Government-subsidized services to include hundreds upon hundreds of unrelated groups and businesses.

I say again, as a result of this tax-free status and their exemption from Federal regulations that require other financial institutions to reinvest in low-income areas, credit unions are able to offer deals on loan rates and checking accounts that most community banks simply cannot match.

It gives me no pleasure to stand here and take this stand, Mr. President. I could have kept silent and gone on down to North Carolina to have my sore knees fixed. But I am obliged to say, in conclusion, that if we allow credit unions to expand tax free and act more and more like banks, then we should at least try to ensure that there is a level playing field for all similar financial institutions. If we tax the banking industry, the small bankers, we should tax the credit unions—but I don't think we should tax either one of them. If we are to force banks to function under burdensome community reinvestment regulations, shouldn't we support equally demanding regulations for credit unions? Is this not, in the final analysis, just an issue of fairness? It would be simpler and easier for me to keep silent, but my conscience would not let me do so. I cannot engage in that luxury. I felt obliged to take my stand and I have done so.

Thank you, Mr. President, I yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent for 15 minutes to speak in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### UNITED STATES-RUSSIAN RELATIONS

Mrs. FEINSTEIN. Mr. President, at the end of this week, Vice President GORE is scheduled to depart for Moscow to conduct meetings in preparation for a summit meeting between President Clinton and President Yeltsin in September. I believe this meeting and the future summit is really long overdue

and extraordinarily important. I would like to take a few minutes to speak about the relationship between our country and the new Russia.

United States-Russian relations today stand at a critical juncture. It has been almost a decade since the end of the cold war, and although we have made great strides in reestablishing the friendship that characterized relations between our two countries in the recent past, we have yet to establish the basis for the kind of partnership that is adequate to guide our two nations into the next century.

The Russian Federation is nearly twice the size of the continental United States. It covers 11 time zones, with a population of close to 150 million people. Let us not forget, Russia is a country with a nuclear arsenal capable of annihilating the Earth many times over.

Few countries on this Earth have undergone the sort of wrenching political, economic, and social transformation that Russia is now going through. While China has moved slowly and carefully to release centralized control over its economy, the Russian model has moved rapidly, in a macro way, to embrace both economic and social democracy.

Today, Russia remains fragile. The United States has a huge stake in what happens now. Our goal must be to see that Russia remains a stable, modern state, democratic in its governance, abiding by its constitution and its laws, market-oriented and prosperous in its economic development, at peace with itself and with the rest of the world. A Russia that reflects these aspirations is likely to be part of the solution, rather than part of the problem, to world peace.

Conversely, a Russia that erects barriers against what it sees as a hostile world, that believes the best defense is a good offense—such a Russia could be in the 21st century just as it was for much of the 20th century—one of the biggest problems the United States and the rest of the world will face.

Russia may be down as a major power, but it is far from out. Although it is all too easy for some to look at Russia today and conclude that it is not a country that demands attention as a top U.S. foreign policy priority, that, in my mind, would be a grievous error in judgment. To place United States-Russian relations in a secondary category of concern is a surefire recipe for disaster. The United States has an enormous stake in the outcome of the present Russian struggle for democracy and free markets.

I believe that it is in Russia's own interests to conduct a concerted effort against the antidemocratic forces and the ultra nationalistic ones, against crime and corruption and, yes, against old Soviet attitudes and habits. This is the course which the government of President Yeltsin has undertaken, and he has done it despite many impediments that still stand in the way.

Too often we have been quick to point out the shortcomings and imperfections of the Yeltsin government and of Russia—and as recent questions regarding Russian assistance to the Iranian missile program indicate, there is some reason for deep concern.

I am fully supportive of the President's decision last week to sanction nine Russian companies for cooperation with Iran. In my mind, Russia's assistance to Iran indicates just how far Russia has yet to travel if it wants to be a full partner with the United States in the international community. But I must also note that the cooperation that Russia now provides is a welcome reversal of its stance of a few years ago. I hope that this new level of cooperation is a major harbinger of things to come.

Indeed, for those who care to look, there have been many positive developments in Russia over the past years—positive developments that include President Yeltsin's constitutionally based election and reelection in 1996, the defeat of hyperinflation, the end of the war in Chechnya in 1997, the signing of the NATO-Russia Founding Act, and successful Russian participation in joint peacemaking operations in Bosnia.

Russia has also made enormous strides in integrating into global economic and regional economic institutions, including the World Bank, the International Monetary Fund, the ASEAN Regional Forum, the Council of Europe, the Paris Club, and more. Russia has strengthened its ties to the European Union and is active in the United Nations and Organization for Security and Cooperation in Europe.

That is not to say Russian reform has scored a knockout blow against crime and corruption, or that the Russian economy is home free. In fact, the current economic crisis and resulting political instability presents the new democracy with its greatest challenge to date.

The package agreed to last week by Russia and the International Monetary Fund provides significant funding, we hope, to stabilize the Russian economy, and it contains major fiscal reform elements, including tax reform, some of which are going to be put in place, as well as far-reaching structural reforms to increase growth and free-market competition. It represents an important pledge by Russia to continue the development of a free-market democracy, and it is an important vote by the international community in the importance of this new Russia.

Russia may still be struggling, but it is my belief that it is on the cusp of a constructive interaction in the international community as a democracy. This must be encouraged. As one analyst wrote about World War II era Germany and Japan, "There are no dangerous peoples; there are only dangerous situations, which are the result, not of laws of nature or history, or of national character or charter, but of political arrangements."

In Russia today, there is a growing ultranationalism which represents a major threat to its progress as a democracy, and we must be cognizant of that.

It will take courage for Russia to look to the future positively, to abandon obsolete thinking, to reassess its national security needs and interests in light of new alliances. It will require a high level of determination and hard work by our country to work with Russia to develop these institutions, institutions which can encourage the growth of democracy and free markets and lead to a more stable and cooperative and prosperous new Russia.

But if future generations are to be spared the danger, the expense, and the terror faced by my generation in dealing with Russia, if we are truly to reap the benefits of the end of the cold war, we cannot stand by and wait to see whether democracy and free markets will survive in Russia.

In more concrete terms, I believe that the time is ripe for a full-scale, high-level, new initiative towards Russia as we approach the 21st century.

The Vice President's trip and this September's summit, I hope, will contribute greatly toward this process, but the Senate bears a special responsibility for the conduct of our Nation's foreign policy. We must play a role, too.

This initiative, I believe, should focus on ways in which the United States can work effectively with the new Russia to strengthen and encourage democratization; to support efforts by the IMF and the international community to assist Russia's economy to make the full transition to free markets; to examine and revise outdated legislation which has created roadblocks and bottlenecks in United States-Russian relations and which place United States firms doing business in Russia at a competitive disadvantage; to provide help in the fight against corruption and organized criminal enterprise in Russia; to expedite existing United States resources now available through OPIC, the Eximbank, and other financial institutions through the development of fast-track type programs which cut red tape for worthy business projects and investments; to encourage and expand existing academic, cultural, and other exchange programs, including those between the Congress and the Duma which aim to support Russia's reformers; and, finally, to work to fully integrate Russia as an equal partner in the international political, economic, and security institutions.

We must understand how the right kind of foreign assistance can play a crucial role in assuring Russian economic growth and vitality. And we must understand how our assistance can help create the ability for Russia to consolidate its gains and provide the opportunity for Russia to work out its national identity and destiny in ways which will complement American interests.

None of this will be easy and all of it will require sustained effort. To that end, the Vice President's trip this week is a first major step. And to that end also, I hope to be able to work with the chairman and ranking member of the Foreign Relations Committee of this body to conduct hearings to examine the nature and future direction of United States policy toward Russia. From these hearings I hope we can develop legislation to address United States policy in the areas I have outlined above, and to strengthen United States-Russian ties in an appropriate way.

I deeply believe that this relationship needs the most intensive concern and interaction at the present time. We must give Russia both time and opportunity to consolidate the reforms that constitute the good news of the past few years, to work with them to beat back the forces that threaten this progress, and to assist them to become a stable, prospering, democratic republic which can be a partner for world peace in the next century.

I thank the Chair and I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

(The remarks of Mr. CRAIG pertaining to the introduction of S. 2337 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### HONORING THE DRAKES ON THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. Individuals from strong families contribute to society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken seriously the commitment of "till death us do part", demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Elsie and David Drake of Springfield, Missouri, who on July 26, 1998, will celebrate their 50th wedding anniversary. Many things have changed in the 50 years this couple has been married, but the values, principles, and commitment this marriage demonstrates are timeless. As this couple celebrates their 50th year together with family and friends, it will be apparent that the lasting legacy of this marriage will be the time, energy, and resources invested in their children, church, and community. My wife, Janet, and I look forward to the day we celebrate a similar milestone.

The Drakes exemplify the highest commitment to the relentless dedication and sacrifice. Their commitment to the principles and values of their marriage deserves to be saluted and recognized.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I don't foresee there is any additional morning business to come, so I ask unanimous consent the period for morning business be brought to a close.

The PRESIDING OFFICER. Morning business is closed.

#### DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (S. 2260) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from New Hampshire.

Mr. GREGG. Mr. President, let me begin to address this issue. I know Senator HOLLINGS is on his way to the floor, the ranking Democrat, who has worked so conscientiously on this, along with his staff and my staff. This is the appropriations bill which covers some very core agencies that the Federal Government has responsibility for, specifically areas of Justice, things like the FBI, the DEA, the INS; areas within Commerce—many areas, of course, are covered by the Commerce Department including, of course, the census issue. Equally important, in fact more important in many ways are ITA and NOAA, two agencies that deal with the manner in which the U.S. economy functions and the manner in which our environment is reviewed. We try to stay ahead of weather conditions.

In addition, this bill has the State Department—obviously the State Department is a core function of the Federal activity—and the judiciary, which is the third branch of the Government, that is also under this bill, along with a number of independent agencies, agencies like the FCC and the FTC and the Small Business Administration. So this is a bill that has broad reach and is a very significant item for the Senate to take up.

This funding bill has been put together as a result of the hard work of a lot of people. I especially thank my ranking member, Senator HOLLINGS, whose input and assistance is always invaluable on this issue. His background and knowledge of the questions which are raised on this bill are extraordinary. I look to him for advice and counsel on many issues. When we agree, we make great progress, which we have on this bill. This bill was reported out of the committee unanimously.